

FILED

AE

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

APR 21 2005

NF

**MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT**

NEW CENTURY MORTGAGE CORP.,)

Plaintiff,)

Case No.

05C 2370

v.)

GREAT NORTHERN INSURANCE)
COMPANY, FEDERAL INSURANCE)
COMPANY, and PAUL BERNSTEIN)

Defendants.)

Formerly Case No. 05CH05371
Circuit Court of Cook County
Chancery Division

JUDGE COAR**MAGISTRATE JUDGE DENLOW**

**INSURER DEFENDANTS' LOCAL RULE 81.2 STATEMENT
OF JURISDICTIONAL AMOUNT**

Defendants, GREAT NORTHERN INSURANCE COMPANY and FEDERAL INSURANCE COMPANY (hereinafter, "the Insurer Defendants") by and through their attorneys, TRESSLER SODERSTROM, MALONEY & PRIESS, and for their Local Rule 81.2 Statement of Jurisdictional Amount, state as follows:

1. The Insurer Defendants have a good faith belief that the amount in controversy in this claim exceeds \$75,000, exclusive of interest and costs. As demonstrated below, this good faith belief is based upon the allegations in the complaint, the settlement agreement in the underlying case for which New Century seeks indemnification, and New Century's own admission.

2. In paragraphs 31 and 49 of the Cook County Complaint, New Century alleges that the amount of the settlement for which it seeks coverage in this action is \$1.95 million. These

allegations, in and of themselves, establish that the value of this claim exceeds \$75,000. (See, Appendix submitted herewith, Exhibit A, ¶¶ 31 and 49.)

3. To the extent the Court requires additional information about the value of this case, it need only refer to the Settlement Agreement which is included as Exhibit B in the Appendix submitted herewith. Paragraph 5 of that settlement agreement confirms that the settlement amount at issue in this coverage dispute is \$1.95 million.

4. Finally, in a previously filed federal case regarding coverage for exactly the same settlement (Case No. 04 C 60606), New Century admitted in its Answer that the value of this claim exceeds \$75,000. (See, Appendix, Exhibit C, ¶ 6.) Judge Conlon dismissed the case without prejudice on January 10, 2005 because of the existence of an earlier-filed related action in District Court of Hennepin County, Minnesota. On March 18, 2005, the Hennepin County Court dismissed that action based on *forum non conveniens*, and the Insurer Defendants subsequently moved to reinstate their original federal action before Judge Conlon. Judge Conlon had not resolved the motion to reinstate as of the filing of the Notice of Removal.

Dated: April 21, 2005

GREAT NORTHERN INSURANCE COMPANY
FEDERAL INSURANCE COMPANY

By: 

One of their Attorneys

Daniel J. Cunningham
Kathy Karaboyas Malamis
TRESSLER, SODERSTROM, MALONEY & PRIESS
Sears Tower, 22nd Floor
233 South Wacker Drive
Chicago, Illinois 60606-6308
(312) 627-4000